

An Overview of Medigap Policies & Protections

What is a Medigap policy and how does it work?

*Call your State Insurance Department for more information on the policies that are offered in these states. You can also look on the Internet at www.medicare.gov and click on “Medigap Compare.”

“The thing about Medigap is you can take as much or as little coverage as you want. When I had knee surgery, my Medigap policy (Plan F) paid many of the costs that Medicare did not pay for.”

Mark
Providence,
Rhode Island

A Medigap policy is sold by private insurance companies to fill the “gaps” in Original Medicare Plan coverage. The front of the Medigap policy must clearly identify it as “Medicare Supplement Insurance.” In all but three states (Massachusetts, Minnesota, and Wisconsin)*, there are 10 standardized Medigap plans called “A” through “J.” Each plan has a different set of standard benefits.

When you buy a Medigap policy, you pay a premium to the insurance company. As long as you pay your premium, policies bought after 1990 are automatically renewed each year. This means that your coverage continues year after year as long as you pay your premium. You still must pay your monthly Medicare Part B premium.

Medicare SELECT

Medicare SELECT is a type of Medigap insurance policy. If you buy a Medicare SELECT policy, you are buying one of the 10 standardized Medigap plans “A” through “J.” With a Medicare SELECT policy, you need to use specific hospitals and doctors to get full insurance benefits (except in an emergency). For this reason, Medicare SELECT policies generally have lower **premiums**.

If you don’t use a Medicare SELECT provider for non-emergency services, you will have to pay what Medicare doesn’t pay. Medicare will pay its share of approved charges no matter what provider you choose. Medicare SELECT might not be offered in your state.

For more information, call your State Health Insurance Assistance Program.



What do Medigap policies pay for?

Each standardized Medigap policy must cover basic benefits (see the following chart). Medigap policies pay most, if not all, of the Original Medicare Plan **coinsurance** amounts. These policies may also cover the Original Medicare Plan **deductibles**. Some of the policies cover extra benefits to fill more of the gaps in your coverage, like prescription drugs.

If you live in Massachusetts, Minnesota, or Wisconsin, call your State Insurance Department for more information on the policies that are offered in these states. You can also look on the Internet at www.medicare.gov and click on “Medigap Compare.”

What is not paid for by Medigap policies?

Medigap policies do not cover:

- Long-term care
- Vision or dental care
- Hearing aids
- Private-duty nursing
- Unlimited prescription drugs

What should I think about before buying a Medigap policy?

Before buying a Medigap policy, think about:

- How much am I spending on health care?
- What are my health care dollars spent on?
- Which Medigap benefits do I need?
- How much can I afford to spend on premiums?
- What will my future health care costs be?
Remember, you may need more health care as you get older.

Chart of Ten Standardized Medigap Plans A through J

Medigap policies (including Medicare SELECT) can only be sold in 10 standardized plans. This chart gives you a quick and easy look at all the Medigap plans and what benefits are in each plan.

Basic Benefits: Included in All Plans.

■ **Inpatient Hospital Care:** Covers the Part A **coinsurance** and for the cost of 365 extra days of hospital care during your lifetime after Medicare coverage ends.

■ **Medical Costs:** Covers the Part B coinsurance (generally 20% of the **Medicare-approved payment amount**).

■ **Blood:** Covers the first 3 pints of blood each year.

A	B	C	D	E	F*	G	H	I	J*
Basic Benefit	Basic Benefit	Basic Benefit	Basic Benefit	Basic Benefit	Basic Benefit	Basic Benefit	Basic Benefit	Basic Benefit	Basic Benefit
		Skilled Nursing Coinsurance	Skilled Nursing Coinsurance	Skilled Nursing Coinsurance	Skilled Nursing Coinsurance	Skilled Nursing Coinsurance	Skilled Nursing Coinsurance	Skilled Nursing Coinsurance	Skilled Nursing Coinsurance
	Part A Deductible	Part A Deductible	Part A Deductible	Part A Deductible	Part A Deductible	Part A Deductible	Part A Deductible	Part A Deductible	Part A Deductible
		Part B Deductible			Part B Deductible				Part B Deductible
					Part B Excess (100%)	Part B Excess (80%)		Part B Excess (100%)	Part B Excess (100%)
		Foreign Travel Emergency	Foreign Travel Emergency	Foreign Travel Emergency	Foreign Travel Emergency	Foreign Travel Emergency	Foreign Travel Emergency	Foreign Travel Emergency	Foreign Travel Emergency
			At-Home Recovery			At-Home Recovery		At-Home Recovery	At-Home Recovery
							Basic Drug Benefit (\$1,250 Limit)	Basic Drug Benefit (\$1,250 Limit)	Extended Drug Benefit (\$3,000 Limit)
				Preventive Care					Preventive Care

* Plans F and J also have a high **deductible** option. Call your State Insurance Department for more information.

Note: This chart does not apply if you live in Massachusetts, Minnesota, or Wisconsin. Call your State Insurance Department or more information on the policies that are offered in these states. You can also look on the Internet at www.medicare.gov and click on “Medigap Compare.”

Summary of Medigap Protections Chart

The following chart is a summary of the situations that may give you the right to buy a Medigap policy when your health coverage changes, and the protections that apply. In order to get these Medigap protections, you must meet certain conditions. See the following chart for more details.

Note: There may be times when more than one of these situations apply to you. When this happens, you may want to choose the protection that gives you the best choice of policies. For example, if both situations #1 and #4 apply to you, you may have the right to buy any Medigap policy. This is because situation #4 offers you the best choice by allowing you to buy any Medigap policy that is sold in your state. Situation #1 limits your choices to only Medigap plans A, B, C, or F that are sold in your state.

Your Health Coverage Situation	Medigap Protections
1. Your Medicare managed care plan or Private Fee-for-Service plan coverage ends because the plan is leaving the Medicare program or will no longer give care in your area.	<p>You may have three choices.</p> <p>You have the right to buy Medigap plans A, B, C, or F that are sold in your state as long as you apply no later than 63 calendar days from the date on the letter from your plan (for Medicare health plans with a Medicare+Choice contract) or no later than 63 calendar days after your health coverage ends.</p> <p>The insurance company cannot deny you insurance coverage or place conditions on the policy (like making you wait for coverage to start). You must be covered for all pre-existing conditions. You can't be charged more for a policy because of past or present health problems.</p> <p>If you are under age 65 and have Medicare because of a disability or ESRD, you must be allowed to buy Medigap plans A, B, C, or F that are sold in your state to people under age 65 with Medicare. Remember, there is no federal law that requires insurance companies to have general Medigap open enrollment periods for people under age 65.</p>

Your Health Coverage Situation	Medigap Protections
<p>2. Your health coverage (like a Medicare managed care plan or Private Fee-for-Service plan, employer group health plan that supplemented or paid some of the costs not paid for by Medicare, Medicare SELECT policy, Program of All-Inclusive Care for the Elderly (PACE), or a Medicare managed care demonstration project) ends through no fault of your own.</p>	<p>You have the right to buy Medigap plans A, B, C, or F that are sold in your state as long as you apply no later than 63 calendar days after your health coverage ends.</p> <p>The insurance company cannot deny you insurance coverage or place conditions on the policy (like making you wait for coverage to start). You must be covered for all pre-existing conditions. You can't be charged more for a policy because of past or present health problems.</p> <p>If you are under age 65 and have Medicare because of a disability or ESRD, you must be allowed to buy Medigap plans A, B, C, or F that are sold in your state to people under age 65 with Medicare.</p> <p>Caution: In most cases, you must stay in your health plan until the date your coverage ends. If you leave the plan before this date, you may lose your right to buy Medigap plans A, B, C, or F.</p>

Your Health Coverage Situation	Medigap Protections
<p>3. You dropped your Medigap policy to join a Medicare managed care plan or Private Fee-for-Service plan, or buy a Medicare SELECT policy, then leave the plan or policy, and:</p> <ul style="list-style-type: none"> ■ This is the first time that you have ever been enrolled in a Medicare health plan or Medicare SELECT policy; and ■ You leave the Medicare health plan or Medicare SELECT policy within one year after joining. 	<p>You must be allowed to return to your former Medigap policy if it is still available from the same insurance company. You must apply no later than 63 calendar days after your health coverage ends. If it is not available, you have the right to buy Medigap plans A, B, C, or F that are sold in your state as long as you apply no later than 63 calendar days after your Medicare health plan coverage ends.</p> <p>The insurance company cannot deny you insurance coverage or place conditions on the policy (like making you wait for coverage to start). You must be covered for all pre-existing conditions. You can't be charged more for a policy because of past or present health problems.</p> <p>Caution: If you bought a Medigap policy before 1990, your policy is probably not a standardized Medigap policy. It may have benefits that are different from the 10 standardized Medigap plans. Therefore, if you dropped it, you would not be able to get it back because that policy is no longer being sold.</p>
<p>4. You joined a Medicare health plan (like a Medicare managed care plan with a Medicare+Choice contract, or a Private Fee-for-Service plan) when you first became eligible for Medicare at age 65, and you leave the plan within one year after joining.</p>	<p>You must be allowed to buy any Medigap policy sold in your state as long as you apply no later than 63 calendar days after your Medicare health plan coverage ends.</p> <p>The insurance company cannot deny you insurance coverage or place conditions on the policy (like making you wait for coverage to start). You must be covered for all pre-existing conditions. You can't be charged more for a policy because of past or present health problems.</p> <p>Note: If you are still in your Medigap open enrollment period after you leave your Medicare health plan, you may have more than 63 calendar days to buy a Medigap policy.</p>

All rights to buy Medigap policies under these protections include Medicare SELECT policies since they are a type of Medigap policy.